

City Of Cincinnati Retirement System Board of Trustees Meeting

Minutes

February 7, 2008 / 2PM
Committee Room B

The Chairperson confirmed a quorum and called the meeting to order: 2:05 PM

Present:

Dave Rager, Vice Chair
Jason Barron
Donald Beets
Michael Fehn
Gina Marsh
Brian Pickering
Michael Rachford
V. Daniel Radford
James Robinson
John Walsh

Absent

Marijane Klug, Chairperson

Staff present: John Boudinot, Keith Giles,
Cheryl Volk - Recorder

JANUARY 3, 2008 BOARD MINUTES

Motion made by B. Pickering and seconded by D. Radford to approve the minutes. Motion carried by the Board.

BENEFITS COMMITTEE REPORTS

M. Rachford provided the following reports:

January 31, 2008 Meeting:

Mike Perkins and attorney, Ely Ryder, presented an appeal to the Benefits Committee. City attorney, Julie Bissinger presented the city's position. All of the facts of the case were discussed in open session immediately following the appeal presentation. The appeal was denied.

February 7, 2008 Meeting Attachment A

Purchase of Out-of-State and Federal Retirement System Service guidelines. Submitted to the Board for review and approval.

Board Action

Motion made by M. Rachford, seconded by B. Pickering to approve the guidelines as submitted.
Motion carried by the Board. Guidelines to be submitted to City Council for action.

Motion made by B. Pickering and seconded by M. Fehn to approve the Benefits Committee report and table the appeal until the Benefits Committee presents a summary to the Board. Motion carried to approve the Benefits Committee report and table the appeal.

CRS ACTIVITY AttachmentB

- | | |
|---|---------------------------------|
| 1. Application for Ordinary Retirement January 2008: | Total: 1 |
| 2. Application for Deferred Retirement: | Total: 2 |
| 3. Resolution for Enrollment of New Members: | Total: 20 |
| 4. Resolution for Return of Contribution: | Total 18 members: \$58,059.73 |
| 5. Deaths Benefits Payout: | Total: 4 members: \$30,000 |
| 6. Resolution for Loans to Members: | Total: 25 members: \$242,325.88 |
| 7. Resolution of Military Service Credit Prior to Membership: | Total: 1 member : \$8,245.69 |
| 8. Operating Expenses: | \$194,986.79 |

SECRETARY'S REPORT Attachment C

J. Walsh provided the following report.

Asset Valuation

December 31, 2006	\$2.61	Billion
December 31, 2007	\$2.69	Billion
YTD Increase (Decrease)	2.70 %	

	12/31/06	12/21/07		
Current Asset Allocation	Actual	Actual	Target	Pending Allocations
Domestic Equity	52.9%	52.2%	43.5%	
International Equity	17.6%	18.6%	17.0%	
Fixed Income	28.1%	24.3%	17.0%	
Private Equity	0.7%	1.8%	5.0%	
Real Estate	0.0%	2.5%	7.5%	\$67.5 Million
Infrastructure	0.0%	0.0%	5.0%	
Long / Short Equity	0.0%	0.0%	5.0%	\$32.5 Million
Treasury Cash	0.7%	0.6%	0.0%	
	100.0%	100.0%	100.0%	

INVESTMENT COMMITTEE

J. Walsh provided the following report:

- Marquette Associates provided the 4th quarter 2007 report
- The CRS has been nominated for Mid Sized Public Plan of the Year for 2007, by the Institutional Investor News
- Black Rock has been placed on Alert Status
- Smith & Graham remains on alert status
- Montag and Caldwell performance was strong in 2007
- 2007 Annual Investment Performance net after fees was 7.8%
- CRS ranks 27th percentile compared to all public funds and 41st percentile For all funds over \$1 billion
- The Fund's positive financial outcomes have resulted from diversifying asset allocations
- B. Christenson to provide an educational session on "portable alpha" strategy in June
- Conduct search for mid cap/small cap value manager

ENRON OPT-OUT SETTLEMENT Attachment D

Roshani Hardin, Chief Counsel reported on the Enron securities litigation:

CRS is slated to receive 5.1% of the total recovery paid to the Ohio funds based on its respective share of Enron losses. This would result in CRS receiving approximately \$249,900 of the funds received by the Ohio funds. Recommendation submitted to the Board for approval.

Board Action

M. Rachford made a motion to approve recommendation, seconded by J. Walsh. Motion carried by the Board.

Jason Barron	Yes
Donald Beets	Yes
Michael Fehn	No
Gina Marsh	Yes
Brian Pickering	Yes
Dave Rager	Yes
Daniel Radford	Yes
Jack Walsh	Yes
Michael Rachford	Yes
James Robinson	Yes

D. Radford requested a complete summary of the Enron and WorldCom settlement be provided to the Board when completed. R. Hardin to provide.

NEW BUSINESS

Existing guidelines for continued education: Current guidelines dictate 2 educational courses per year are reimbursable. D. Beets requested approval to receive reimbursement for attending 3 educational classes during year 2008. After discussion, it was agreed that some conferences could be considered networking rather than continued education

Board Action

D. Radford made a motion to identify the Columbus Conference as a networking meeting rather than an educational class, therefore two additional classes would be reimbursable. B. Pickering seconded the motion. Motion carried by the Board.

EXECUTIVE SESSION

B. Pickering made motion to begin an Executive Session, motion seconded by M. Fehn. Unanimous roll-call vote and motion carried by the Board. Executive Session called to order: 2:25PM.

Issue: Federal Tax litigation

M. Fehn made motion to adjourn Executive Session, seconded by B. Pickering. Motion carried by Board and Executive Session adjourned: 2:45PM

M. Fehn made motion to adjourn Board Meeting, seconded by B. Pickering. Motion carried by the Board and meeting adjourned: 2:50PM

Next meeting: 3/6/08